

## **Exhibit 2**

Capital Reporting Company  
Hearing 12-28-2009

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IN THE U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF  
TEXAS, MARSHALL DIVISION

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PA ADVISORS, :  
: Plaintiff, : Civil Docket No.  
vs. : 2:07-cv-00480-RRR  
: GOOGLE, INC., et al., :  
: Defendant. :  
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Washington, D.C.

Monday, December 28, 2009

The above-entitled matter came on for Pretrial Conference, pursuant to Notice.

BEFORE: HONORABLE RANDALL R. RADER, Judge

Capital Reporting Company  
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<p style="text-align: right;">50</p> <p>1 intervene, but I think you both would prefer to have 2 something other than me involved in a discovery dispute. 3       MR. FENSTER: Your Honor, can we have until -- 4 so assuming that we get production by the 26th -- I'm 5 sorry -- by January 6th, I'm looking at the calendar. As 6 Mr. Cannon references, this is iterative. It is 7 difficult because he has to go back and review a lot of 8 the code. It's been done now in light of the new code. 9       Could we have until the 27th to supplement the 10 infringement report, based on that code?</p> <p>11       JUDGE RADER: Does that suit you, Mr. Cannon? 12       MR. CANNON: Well, I think if there's new code 13 that's been produced, the expert should have a chance to 14 address that after the fact, but I think the basic 15 infringement contentions and the contentions with respect 16 to the code that's been produced to date, I think 17 Plaintiff needs to make its position clear now on the 18 current expert report, dated January 4th.</p> <p>19       MR. FENSTER: Your Honor, we will certainly do 20 an expert report by January 4th. However, this code is 21 interdependent. Functions that in the code that's been - 22 - that has been produced are not yet clear until we get</p>	<p style="text-align: right;">52</p> <p>1       JUDGE RADER: -- under the assumption that you 2 have been working on this case a long time, expecting to 3 be in trial in March. So I'm assuming that your case 4 must be pretty well formed by now. 5       MR. FENSTER: It is, Your Honor. 6       JUDGE RADER: If you have some -- if you have 7 some crying need to go beyond the 4th, I'll entertain it. 8 As I've told you, I'm aware that I'm putting -- putting 9 you in a bit of a bind giving you till the 6th to 10 continue to acquire code and yet having your deadline set 11 before that. 12       What about the financial information? 13       MR. FENSTER: The financial information -- 14       JUDGE RADER: Which prompts an even more 15 fundamental question. How are you going to prove 16 damages? 17       MR. FENSTER: The damages will be based on a 18 reasonable royalty theory, Your Honor. 19       JUDGE RADER: That's even harder. 20       MR. FENSTER: I'm sorry? 21       JUDGE RADER: That's even harder. 22       MR. FENSTER: Yes.</p>
<p style="text-align: right;">51</p> <p>1 the definitions which are yet to come. 2       JUDGE RADER: Let's do this, Mr. Fenster. The 3 deadline of the 4th stays in place. If you find 4 something that requires you to request an extension, the 5 Court's now aware that you may have that need, but let's 6 stick with our 4th date. That's your deadline. Hit it, 7 unless you have something that intervenes. 8       MR. FENSTER: Okay. But -- 9       JUDGE RADER: I understand you've got till the 10 6th. Things may be coming in on the 6th and your 11 deadline is the 4th. If you find something on the 6th, 12 you can file a motion to reopen and the Court will 13 understand that we have -- that I should expect such a 14 motion if you have a good reason for it. 15       MR. FENSTER: Yes, Your Honor. But just -- just 16 so the Court is clear, assuming we get code by the 6th, 17 we will certainly need until after the 6th. This is a 18 very intensive process that requires -- that will require 19 weeks afterwards to process the code that's coming in. 20       JUDGE RADER: Well, then you let me know that, 21 but I'm -- 22       MR. FENSTER: Okay.</p>	<p style="text-align: right;">53</p> <p>1       JUDGE RADER: Meaning the Court -- I'm just -- 2 I'm going to start right now issuing a multitude of 3 warnings and I urge you both to read the case of Cornell 4 v. Hewlett-Packard in which the Court there issued a 5 variety of warnings about its desire to have reputable 6 economic evidence, downward sloping demand curves with 7 substantiated links to the scope of the claimed 8 invention, showing directly or as directly as possible 9 the harm attributable to any infringement that can be 10 proved. 11       I could be a little more specific, but I think 12 you can hear that this is -- this is a matter on which 13 the Court has a strong desire to be involved at an early 14 point. 15       MR. FENSTER: Yes, Your Honor. 16       JUDGE RADER: Now back to the financial 17 information. 18       MR. FENSTER: Your Honor, the -- the 19 information 20 that we're seeking relates to Implied Semantics and 21 Caltixs. These were two companies that were involved in 22 developing the accused instrumentalities and were later</p>